

## **Meeting Minutes | Board of Directors**

Wednesday, July 15, 2015 | 1 p.m.

200 Arbor Lake Dr., Columbia, SC 29223 | Second Floor Conference Room

Minutes Approved August 19, 2015

**Board Members Present:** Chairman Art Bjontegard, Mr. Steve Matthews, and Mr. David Tigges

**Board Members Present via Telephone:** Mr. Frank Fusco, Mr. Steve Heisler, Ms. Stacy Kubu, Mr. Steve Osborne, Vice Chairman Joe “Rocky” Pearce, Mr. Audie Penn, and Mr. John Sowards

**Board Members Absent:** Sheriff Leon Lott

**Others Present for All or a Portion of the Meeting:** Peggy Boykin, Ariail Kirk, Heather Muller, John Page, Jacalin Shealy, Laura Smoak, Rob Tester, Stephen Van Camp and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA); Brooks Goodman and Dr. Shawn Stinson from Blue Cross Blue Shield of South Carolina; Sam Griswold and Wayne Pruitt from the State Retirees Association of South Carolina; Carlton Washington from the South Carolina State Employees Association; Tylar Brannon from the South Carolina Office of the State Treasurer; Mary Elizabeth Van Horn from Milliken Law Firm; Brad Wright from the McNair Law Firm; and Bill Tomes from Public Management Leadership Development Services, LLC.

### **I. Call to Order**

Chairman Art Bjontegard called the PEBA Board of Director’s (Board) meeting to order at 1:00 p.m., and stated that the public meeting notice was posted in compliance with the Freedom of Information Act.

### **II. Adoption of Proposed Agenda**

Mr. Steve Matthews made a motion, which was seconded by Mr. David Tigges, and approved unanimously, to adopt the proposed Board meeting agenda.

### **III. Approval of Meeting Minutes- June 17, 2015 and July 8, 2015**

Mr. Tigges made a motion, which was seconded by Mr. Matthews, and approved unanimously, to adopt the June 17, 2015, meeting minutes as presented.

Mr. Matthews made a motion, which was seconded by Mr. Tigges, and approved unanimously, to adopt the July 8, 2015, meeting minutes as presented.

#### **IV. Committee Chairman Appointments**

Chairman Bjontegard stated that the Health Plan Policy Committee; The Retirement Policy Committee; and the Finance, Administration, Audit and Compliance (FAAC) Committee, all recommend retaining their current Committee chairmen. Chairman Bjontegard confirmed the Committee Chairmen reappointments.

#### **V. 2016 State Health Plan Approval of Benefits and Contributions**

Mr. Rocky Pearce, Health Care Policy Committee Chairman, discussed the proposed health plan program changes effective January 1, 2016 including:

##### **A. All Health Plans**

- i. Employer contribution increase of 4.5 percent;
- ii. No enrollee contribution increase;
- iii. Composite contribution increase of 3.4 percent which is the amount funded in the fiscal 2016 Appropriations Act and detailed in Proviso 108.6 of the Act.

##### **B. State Health Plan**

- i. Elimination of patient cost sharing for covered contraceptives (mandated in Proviso 108.13 of fiscal 2016 Appropriations Act); and
- ii. Patient-Centered Medical Home incentive.

Mr. Pearce stated that patients obtaining services at practices participating in the Blue Cross Blue Shield of South Carolina PCMH program will receive a waiver of the \$12 Physician Office deductible, and provision of Plan coinsurance at 90 percent (rather than 80 percent at other network providers).

- iii. VBID services: The following services will be provided with no patient liability:
  - a. Colonoscopies;
  - b. Adult vaccinations;
  - c. Tobacco cessation pharmaceuticals; and
  - d. Diabetes education services.

##### **C. MUSC Health Plan**

- i. Increase Specialist Copay to \$45/visit (from \$35/visit)

##### **D. Flexible Benefits (MoneyPlus)**

- i. Eliminate the one-year waiting period for employee to establish a Medical Spending Account; and
- ii. Establish a \$1500 limit for 2016 on Dependent Care Accounts for highly-compensated employees.

Mr. Pearce stated that the Health Care Policy Committee recommends accepting the proposed health plan program changes effective January 1, 2016. Chairman Bjontegard stated that the motion presented is a Committee motion which does not require a second. Following further discussion, the motion passed unanimously.

## **VI. Committee Reports**

### **A. Health Care Policy Committee**

Mr. Pearce stated that the Health Care Policy Committee does not have any further business to report.

### **B. Retirement Policy Committee**

Mr. Sowards stated that the Retirement Policy Committee does not have any business to report at this time.

### **C. Finance, Administration, Audit and Compliance (FAAC) Committee**

Mr. Steve Matthews stated that the FAAC Committee met on June 30, 2015, for the purposes of electing a Committee Chairman.

## **VII. Old Business**

### **A. Director's Report**

Ms. Peggy Boykin, PEBA's Executive Director, provided the Director's Report, and stated that the Benefits at Work (BAW) Conference will be held at the Columbia Convention Center August 31-September 3, 2015, and reminded the Board that they are invited to attend. Ms. Boykin stated that the BAW conference is held annually for benefits administrators and other personnel across the state, to ensure that they understand any legislative or health care plan changes for the upcoming year. Ms. Boykin added that the BAW conference is also an opportunity for employers to express their feedback or concerns with PEBA's procedures.

Ms. Boykin stated that an update on the Strategic Action Plans will be presented at the September Quarterly Board meeting.

### **B. Roundtable Discussion**

At the conclusion of the Director's Report, Chairman Bjontegard provided an opportunity for a roundtable discussion.

## **VIII. Executive Session Pursuant to S.C. Code of Laws § 30-4-70**

At 1:20 p.m., Mr. Matthews made a motion, which was seconded by Mr. Tigges, and passed unanimously, to recede into executive session to receive legal advice concerning assessment of fiduciary compliance, and to discuss personnel matters, pursuant to S.C. Code Ann. § 30-4-70.

The Board reconvened in open session at 1:45 p.m. Chairman Bjontegard announced that no action was taken by the Board while in executive session.

Mr. Matthews made a motion, which was seconded by Mr. Tigges, and approved unanimously, to accept the fiscal year 2015-2016 Agency Head Planning Stage as recently submitted.

**IX. Adjournment**

There being no further business, and upon motion by Mr. Frank Fusco, which was seconded by Mr. Audie Penn, and approved unanimously, the Board meeting adjourned at 1:48 p.m.